

QUESTIONS AND ANSWERS ON THE NEXT W-2 CONTRACT MATERIALS

The Department's response to a few questions already received that may be helpful in the review of the W-2 contracting materials are:

1. Question: What are the changes in the draft Contract Terms for 2002-2003 W-2 and Related Programs Contracts compared to the Contract Terms for the 2000-2001 W-2 and Related Programs Contracts?

Answer: The 2002-2003 draft Contract Terms are a compilation of the Contract Terms and Conditions from section 6 of the 2000-2001 W-2 and Related Programs RFP plus Contract Terms that were included in other sections of the RFP. The following Contract Terms were revised as noted in this list compared to the previous Contract Terms:

6.2 Contract Manager (revised to require updates from the W-2 agency for any changed information on the Forms);

6.6 Performance Standards (revised to list the new Performance Standards);

6.10.3.1 W-2 Agency Initiated [Plan Modifications] (revised to require periodic updates to W-2 Plan);

6.15 On-site Visits (revised to provide greater detail and address costs of on-site visits);

6.16 Compliance Contacts, Monitoring and Corrective Action (revised to add Compliance Contacts for actions prior to Corrective Action);

6.17 Failure Penalty (revised to include the penalties, in addition to the Failure to Serve Penalty, that the Department has the authority to assess, also revised to allow Department to assess a penalty amount of less than \$5,000 per failure);

6.22 Cost Allocation Plan (revised to require changes in the Cost Allocation Plan to be submitted by the W-2 agency);

6.26.7 Submitted Expenses (revised to clarify requirements for expenses submitted by the W-2 agency);

6.25.8 Administrative Costs (revised to include the option of the Department increasing the 15% limit to 20% for very small W-2 agencies);

6.27.1 Total Bonuses and 6.27.7 Allocation of Bonuses to Restricted Use and Unrestricted Use (revised for new Bonus amounts); and

6.29 Language Access Plan (new Contract Term to add this requirement).

Other draft Contract Terms were revised slightly, but not in substance (for example to update dates, references to other documents, where to submit documents, etc.)

2. Question: The numbering in the 2002-2003 Response Items does not match up with the numbering in the current W-2 Plan. Please provide instructions on how to deal with the numbering.
- Answer: The numbering of many topics in the 2002-2003 Response Items section is different from the 2000-2001 RFP Response Items section. These changes are due to moving some topics to other sections and deleting other topics. For example, some items were moved to the Contract Terms section, such as the Affidavit Form, the Designation of Confidential and Proprietary Information Form, the Debarment Certification and the Lobbying Forms. Additionally, some items were deleted from the RFS Response Items section, such as the Cost Proposal Form and the Medicaid/BadgerCare. A complete comparison of the numbering of Response Items in 2000-2001 and 2002-2003 will be issued as a part of the Response Items section.
3. Question: When do W-2 agencies have the opportunity to provide feedback on the draft Right of First Selection materials?
- Answer: The public comment period is the opportunity for all interested parties, including W-2 agencies, to provide feedback, comments and suggestions on the Right of First Selection draft materials. The public comment period has been extended through Friday, March 23, 2001 (extended from March 16).
4. Question: Is the public comment period for customers of W-2 agencies to submit questions or feedback about services?
- Answer: W-2 participants, other customers of the W-2 agencies, and anyone else may submit questions or feedback about services during the public comment period. If the questions or feedback are not applicable to the draft contracting materials issued for public comment, the questions or feedback may be referred for response outside of the public comment process.
5. Question: Was the funding for eligibility determinations for food stamps and Medicaid removed from the Preliminary W-2 Base Allocation?
- Answer: Yes. The funding for food stamp and Medicaid eligibility determinations was removed from the Preliminary W-2 Base Allocation.
6. Question: Was the funding for the administration of child care added to the Preliminary W-2 Base Allocation?
- Answer: No. The funding for the administration of child care was not added to the Preliminary W-2 Base Allocation. Statutory modifications are required to implement this change to the contracts.
7. Question: How do we register for the Question and Answer Session on May 4, 2001?
- Answer: The registration for the Question and Answer Session and the opportunity to pay for morning coffee/tea and lunch (which will only be a quick break for lunch buffet in the Session room) will be handled at the Marriott Hotel from 9:00 a.m. to 10:00 a.m. on May 4, 2001 (the day of the Question and Answer Session). There is no need to pre-register.

8. Question: For what purpose can Emergency Payments be made, and are there restrictions on the amount of each payment?
- Answer: Needs that may be covered by an Emergency Payment include shelter, food, work-related expenses, etc. Emergency Payments should be used in conjunction with other supports available to participants including Job Access Loans, Emergency Assistance, WtW, Community Reinvestment, WAA and referrals to the Children's Services Network (food pantries, etc.).
- Each W-2 agency may choose to establish a range of payments (e.g., between \$25 and \$750); and may also choose to limit the payment to no more than once every 12 months.
9. Question: Do Emergency Payments need to be re-paid to the agency?
- Answer: Participants who receive Emergency Payments are not required to repay the payments.
10. Question: Do these payments "tick the clock"?
- Answer: They do not "tick the clock" now, and many agencies are already providing these payments. They do not tick a W-2 clock because they qualify as nonrecurrent, short-term benefits under the TANF definition of assistance. This is a one-time payment designed to meet an emergency need at the outset of a W-2 case.
11. Question: Are Emergency Payments issued to the recipient, or through a voucher/vendor payment?
- Answer: Each agency has the flexibility to establish their own system for making payments.
12. Question: Where is the reference in the statutory language on Emergency Payments - or is there such language?
- Answer: There is no statutory language related to Emergency Payments.
13. Question: Is the Emergency Payment funded out of "benefits" or "operations?"
- Answer: It is funded out of "operations." There will be a new CARS profile for Emergency Payments, and we will notify the agencies when it becomes available for use.
14. Question: Will there be a CARES code for Emergency Payments?
- Answer: We have no plans to automate this payment. Agencies currently offer emergency services without tracking them on CARES. As a case management practice, workers may want to note in the case comments if a participant has received this payment.
15. Question: At what point is an Emergency Payment issued to the participant?
- Answer: W-2 agencies must determine eligibility for an Emergency Payment for a participant who has needs and is awaiting a first W-2 payment. For CSJ, Custodial Parent of an Infant placements, and W-2 T, this means awaiting their

first W-2 payment (\$673 or \$628). For Trial Job participants this means awaiting their first paycheck from the Trial Job employer. W-2 Emergency Payments are not an additional CSJ or W-2 T benefit.

16. Question: Please provide suggestions for Plan responses for Emergency Payments.

Answer: W-2 agencies will be required, January 1, 2002, to have a system in place to determine eligibility for and issue Emergency Payments to qualified participants. DWS expects agencies to explain the criteria for defining “extreme financial hardship.” Examples may include potential eviction for failure to pay rent, need for funding to establish a permanent living situation, unmet food needs, etc. The plan may also include a description of the payment range and frequency of payments, and coordination with other available services.

17. Question: What will be available on CARES with regard to Response Item 7.29.15, Supportive Service Plan? Will we need to draft our own forms for this? Wouldn't it be easier to have a standardized form?

Answer: We do agree that there should be a standardized process for writing a supportive service plan. We are currently considering the options of creating a new screen in CARES versus creating a standardized form to capture the supportive service plan.

18. Question: Is the Supportive Service Plan like an Employability Plan, i.e. something in writing, that the participant has to sign?

Answer: The language in the Right of First Selection Response Items was intentionally written to say that the agency must “... offer assistance in developing a supportive service plan”, because we recognize that some participants choose to immediately end contact with the W-2 agency after they become employed. While we recognize that some participants will choose to forgo the development of a supportive service plan, the plan itself will hold more weight with the participant if it is written in the form of a written agreement. We are continuing to work on how the plan should be formatted.

19. Question: Regarding W-2 T, who will be certified as assessors? If an agency staff includes qualified medical personnel, can they be used as the qualified expert in meeting the requirement for formal, professional assessment?

Answer: In the Right of First Selection Response Items, W-2 agencies are to describe the process they will use to ensure that they are selecting assessment agencies and individuals who have demonstrated appropriate competencies, have completed appropriate training, and are certified or accredited to perform the assessment services. With the assistance of W-2 Enhanced Case Management training courses, the W-2 Case Management Resource Guide, and other training materials that the agencies have selected to be part of their resource library, W-2 managers and FEPs should have the knowledge to select appropriate assessing agencies. If agencies feel that further guidance is needed, technical assistance can be requested from the Department.

A medical professional on staff who has the education and certifications to complete a professional assessment for a particular disability or barrier may perform the assessment. It should be kept in mind however, that some barriers

may need the attention of professionals who specialize in a particular area, such as learning disabilities or mental health problems.

20. Question: In an instance where a W-2 T placement is because of family violence, what sort of “formal assessment” is possible there?

Answer: Individuals placed in W-2 T due to domestic violence are in that placement because of their need for intensive services and/or the need for time to move themselves to a shelter or other safe haven. Domestic abuse counselors, domestic abuse shelter providers or other family counseling providers would all be appropriate entities to perform an assessment depending on the needs of the family.

21. Question: What is the time limit or expiration date on these “formal assessments” once made? For how long will they be considered valid?

Answer: Other than requiring that the assessment be initiated and documented in CARES within 30 calendar days from the date of placement in the W-2 placement as spelled out in the Performance Standards, the Department does not intend to place time limits or expiration dates on the formal assessment process. Given that the assessment process is quite different depending on the barrier and needs of the participant, case managers must use their best judgement to determine if and when a follow-up assessment should occur. W-2 agencies may want to consider making it a practice to ask the agency performing the assessment if a follow-up assessment is needed on a case by case basis.

22. Question: Please describe the methodology for the Work Advancement and Attachment (WAA) allocation.

Answer: Wisconsin Statutes, section 49.173 directs the Department to allocate WAA funds as follows: 1) a base allocation to each W-2 agency and 2) allocation of the remaining funds based on the number of persons in the certain categories served by the W-2 agencies. The case categories include W-2 case management, Food Stamp Employment and Training (FSET), diversions from W-2, non-custodial parents and child care.

The Department used a base allocation of \$10,000 for each W-2 agency. The remaining funds were distributed based on each agency's proportionate share of the above cases. CARES data was used for W-2 case management, FSET and child care cases. Diversions from W-2 are the number of Requests for Assistance which are withdrawn or denied. Information about Welfare-to-work and Children First cases was considered in addition to those cases identified as W-2 NCPs.

Prior expenditure patterns is not one of the factors identified in the statute for allocation of WAA funds.

23. Question: How does an agency charge staff time when an individual determines eligibility for multiple programs (e.g. food stamps, Medicaid, childcare and W-2)?

Answer: This situation is the same as the situation that currently exists for many agencies that have workers funded under more than one contract. For example, an eligibility worker may be determining eligibility for food stamp, Medicaid and the Low Income Home Energy Assistance Program (LIHEAP). The costs attributable to LIHEAP must be charged to the Department of

Administration rather than the Department of Workforce Development. Use of case counts is a common method for distribution of shared costs among the programs that benefit from the activity. All agencies have the responsibility to set up and maintain systems to track worker effort.

24. Question: Will W-2 agencies have the opportunity to participate in the Department's Workers Compensation coverage for participants in W-2 T and CSJ placements and FSET participants during the 2002-2003 Contract?
- Answer: Yes, the Worker's Compensation coverage continues to be available.
25. Question: What response is needed when a Response Item is not new, the current W-2 Plan is up-to-date, and the W-2 agency does not plan to make any changes?
- Answer: If the W-2 agency's W-2 Plan is up-to-date for the Response Item and no change is proposed, incorporate the current response into the RFS W-2 Plan.
26. Question: Which Response Items must be included in the 2002-2003 RFS W-2 Plan?
- Answer: The 2002-2003 RFS W-2 Plan must include all of the topics listed in the Right of First Selection Response Items, except those identified as 'not applicable to RFS agency Plan'. The 2002-2003 RFS W-2 Plan must be complete without referring to another document (such as referring to the 2000-2001 W-2 Plan).
27. Question: Are financial statements required for 2002-2003 RFS W-2 plans?
- Answer: Financial statements are not required for 2002-2003 RFS W-2 plans. The Financial Statement section (in the 2000-2001 RFP) was re-written and is now Financial Management, which does require a response by the RFS agencies.
28. Question: A comparison of the numbering in the 2000-2001 RFP with the new numbering in the 2002-2003 RFS Instructions is needed.
- Answer: In response to comments, the chart attached to the Instructions for 2002-2003 RFS W-2 Plan provides detailed information for comparing the numbering changes from section 7 of the 2000-2001 RFP with the numbering in the 2002-2003 Right of First Selection Response Items.
29. Question: Is a Cost Proposal part of a 2002-2003 RFS W-2 Plan?
- Answer: No, a Cost Proposal is not part of a 2002-2003 RFS W-2 Plan, however it is a part of the 2002-2003 W-2 RFP. This is one of the items identified as 'not applicable to RFS agency Plan' in the RFS Response Items.
30. Question: How are W-2 agencies informed of updates to the RFS Re-contracting documents?
- Answer: Each time the RFS materials are updated an e-mail will be sent to the regional offices requesting that the regional office notify the W-2 agencies of the update. A look at the first item on the Department's W-2 web site, Document Updates, is another way to learn of updates. This lists changes to all documents in chronological order. This allows viewers to quickly see what has changed and why without having to comb through individual documents.

31. Question: Is there a page limit for the 2002-2003 RFS W-2 Plan?
- Answer: No, there is not a page limit for the 2002-2003 RFS W-2 Plan. There will continue to be a page limit for an RFP W-2 Plan. Considering that the 2002-2003 RFS W-2 Plans are initiated by using some sections from the 2000-2001 W-2 Plan (which had a maximum of 250 pages) plus any modifications to that Plan, a page limit was not given.
32. Question: How does an agency respond to item 7.2.10.2, Corrective Action Plan (CAP) Implementation if the agency has not been under a CAP?
- Answer: Any agency that is or has been under a CAP at any time between January 1, 2000 and June 4, 2001, must respond to specific questions from the Department. No specific response is required from an agency that has not been under a CAP, however a statement could be made to that effect.
33. Question: The RFP required that we include the RFP number on each page. Is there a new number for the 2002-2003 RFS Plan?
- Answer: There is not a number for the 2002-2003 RFS W-2 Plan, however, there will be a new number for the 2002-2003 W-2 RFP. The W-2 agency's name must appear on each page of the 2002-2003 RFS W-2 Plan.
34. Question: What information is required to be on the cover page of the RFS W-2 Plan?
- Answer: There were no specific requirements for the cover page. A suggestion is as follows: Badger County RFS W-2 Plan for 2002-2003.
35. Question: How do W-2 agencies get answers to questions as they are preparing their plans?
- Answer: Contact your regional office with any questions. If the regional office staff do not have the answer they will forward your questions to central office.
36. Question: How will sanctions imposed on participants for non-participation with work requirements be handled?
- Answer: State statutes require that the amount of participant sanctions be removed from the W-2 contracts rather than having that amount remain in the W-2 contracts for other expenditures. In addition, in the calculation of the amount of funds available for the W-2 contract, there is an amount of funds assumed to be for participant sanctions. Revisions made May 14, 2001 to the W-2 allocation information and contract provisions relate to the implementation of this statutory requirement. The Department will work with W-2 agencies, through the W-2 Contract and Implementation Committee to develop an appropriate strategies to assure that the statutory requirements are met.
37. Question: There should be no bonuses for W-2 agencies; all payments should be based on their doing their job.
- Answer: Wisconsin Statutes require that the W-2 contracts be performance based contracts, which means some or all of the funding is tied to the achievement of certain outcomes. The way the Department of Workforce Development implements performance based contracts is to hold back a portion of the funds

from an agency until they have demonstrated certain levels of performance set by the Department.

38. Question: What were the sources of caseload data?

Answer: Most of the caseload data come from the Client Assistance for Re-employment and Economic Support (CARES) system. Allocation information issued after the Right of First Selection public comment (February 28, 2001 through March 23, 2001) period includes the CARES report numbers and time periods for the various case types.

39. Question: Does policy require agencies to issue Job Access Loans and if so, why is the funding sum certain (limited)?

Answer: Job Access Loans are one of the many strategies available to W-2 agencies to assist participants in their efforts to achieve economic self-sufficiency. Job Access Loans are not an entitlement. The Legislature limits the total amount of funds available for Job Access Loans, and the Department allocates it among the agencies based on their percentage of the state's caseload and based on their past rate of issuing Job Access Loans.

40. Question: Will all childcare applications be taken at the W-2 agencies?

Answer: Childcare applications are taken at many locations. There are no changes being proposed by the Department concerning where childcare applications are taken.

41. Question: Why are all cases in the allocation given the same "weight"? A childcare case should not be "worth" the same amount as other cases.

Answer: The W-2 contracts are not funded on a per case basis, and the caseload figures used in the allocations are not intended to be absolutes. Caseload numbers fluctuate and the types of cases change over time. The Department determined allocations for each agency by calculating the relative proportion of workload for each agency compared to other agencies.

42. Question: What can an agency do if they think their caseload numbers are incorrect?

Answer: The Department is including more specific information in its allocation documents so agencies can better understand the allocations. Agencies should also remember that caseload data is not intended to predict an absolute caseload number, but rather to determine the proportion of the projected state's workload associated with each agency. If an agency continues to have questions they may submit them to their Department Contract Manager.

43. Question: In previous years there was a Refugee Supplement. Is it a part of the 2002-2003 allocations?

Answer: There is not a separate Refugee Supplement in the 2002-2003 allocation. In order to recognize that some cases have additional barriers to achieving self-sufficiency through work (and refugee families cases may be some of these cases) the allocations include adjustments for two factors which contribute to the difficulty of a case. Those factors include 1) attainment of a High School diploma or equivalency and 2) having a child or adult in the home with a disability.

44. Question: Will the Income Maintenance allocation for a county or tribe increase by the same amount as the decrease in the W-2 allocation for that county or tribe?
- Answer: Not necessarily. The adjustment for Food Stamp and Medicaid eligibility was removed from the total W-2 contract dollars, and then the remaining W-2 dollars were distributed by a formula. The total amount of the adjustment for Food Stamps and Medicaid was added to the total amount of Income Maintenance funding and then the dollars were distributed by a formula based on each agency's proportion of the state's Income Maintenance caseload.
45. Question: Is it okay for a W-2 agency to contract with Job Service?
- Answer: Yes.
46. Question: Was funding for the Children First program included in the base allocation?
- Answer: No. Children First is a program with separate funding. Not all W-2 agencies run a Children First program.
47. Question: Will fiscal reporting change because the responsibility for Food Stamp and Medicaid eligibility will be with the Income Maintenance agency?
- Answer: Yes. It is possible for the same worker to perform eligibility for Food Stamps and Medicaid as well as child care and W-2. The time and expenses for that worker must be distributed between the Income Maintenance Contract and the W-2 Contract based on a method approved by the Department.
48. Question: Does the W-2 agency get a break if a sub-contractor shows poor performance and they are dropped by the W-2 agency after it is brought to their attention?
- Answer: If "get a break" means will the Department lower the performance expectations, no. The Department expects and the contract requires that W-2 agencies monitor their sub-contractors on a regular basis and take appropriate action to modify or terminate a sub-contract for poor performance.
49. Question: Is it possible for an agency (county or tribe) to get an increase in its Income Maintenance Contract and in its W-2 contract?
- Answer: Yes, it is theoretically possible. The method for determining the Income Maintenance Contract allocation is completely separate from the method for determining the W-2 Contract allocation.
50. Question: How will child care administrative funds be issued? Are they included in the base W-2 allocation?
- Answer: The 2002-2003 W-2 Contract continues the method from the 2000-2001 W-2 Contract in how child care administrative funds are issued from the. Currently, the W-2 agency is responsible for determining eligibility for child care using the funds in their base allocation. Once eligibility is determined the child care case is referred to the county or tribe for other child care related activities (including identification of certified providers, authorization of payments to providers, rate setting activities). The county and tribal agencies are receive administrative and operations funds for the services they perform. The childcare administrative funds are not included in the base W-2 allocation.

51. Question: Why aren't W-2 funds integrated with other funds in the Job Centers with control by the Workforce Development Boards?
- Answer: W-2 funds are frequently used in Job Centers although they are not co-mingled with other funds. Federal funding under the W-2 program allows expenditures for certain purposes and certain eligible individuals. W-2 agencies are encouraged to work cooperatively and collaboratively with other Job Center partners and must address cooperation and collaboration as a part of their plan for administering W-2. In addition, W-2 agencies have the opportunity to submit proposals for a consortium of W-2 agencies rather than for separate agencies.
52. Question: With the reduced allocations it may be difficult for some W-2 agencies to stay in business.
- Answer: The Legislature determines the amount of funds available for the W-2 program. The W-2 program was designed around the concept of local flexibility so each potential W-2 agency could develop a proposal for the delivery of W-2 services within their geographic area for the dollars available.
53. Question: Is there a performance bonus for the standard on Agency Accountability?
- Answer: The Standard for Agency Accountability must be met for an agency to meet the base contract requirements and earn Right of First Selection. There are no performance bonus funds for this standard.
54. Question: The number of performance standards increased so there is a need for more money.
- Answer: Although there are some new performance standards for the 2002-2003 W-2 Contract, most of the added standards are contract requirements under the Department's policies the 2000-2001 W-2 Contract. While some contract requirements are stated as performance standards, other contract requirements are identified as part of the Department's policies and procedures. Performance standards address the quality of the work performed under the contract regardless of the volume of work.
55. Question: Will there be money available for replacement personal computers (PCs)?
- Answer: A W-2 agency may use its base allocation for replacement PCs by following the Department's IT approval process. There is no separate funding available for PC replacement.
56. Question: How and when does an agency with a total allocation of less than \$500,000 request a modification of their administrative cap from 15 percent to 20 percent?
- Answer: An agency with a total allocation of less than \$500,000 may request a modification of their administrative cap from 15 percent to a higher percent, but in no case greater than 20 percent, by submitting a written request to the Department Contract Manager, during the last twelve months of the contract period.

57. Question: Will the Local Personnel Master File (LPMF) be available for meeting cost allocation needs?
- Answer: LPMF is currently the Department's system for allocation of administrative and overhead costs. Costs are allocated in the LPMF system by the reporting of worker effort. The Department is exploring alternate methods of reporting worker effort such as use of a Random Moment Time Study, which may or may not affect the use of LPMF.
58. Question: Will there be additional funds available to hire an SSI Advocate?
- Answer: An agency can use their base W-2 allocation to hire an SSI Advocate. There will be no additional funds for this cost.
59. Question: When will the Income Maintenance allocations for 2002 be issued?
- Answer: An Administrator's Memo with the Income Maintenance Administrative Allocation is scheduled to be issued in May 2001.
60. Question: What would trigger the need for an expanded audit and who would pay for it?
- Answer: The Department will determine when an expanded audit is required and direct the W-2 agency to have the audit conducted or arrange for the audit to be conducted. The W-2 agency is responsible for paying for the audit. In addition, a W-2 agency may determine on its own that it is going to contract for an expanded audit.
61. Question: Staff bonuses should not be allowed, especially if they are given for reducing the caseload.
- Answer: Federal regulations in the area of staff bonuses are very broad. The Department is reviewing its policies concerning staff bonuses to provide more direction to W-2 agencies than what is currently contained in the federal regulations.
62. Question: How does an agency access the Contingency Fund?
- Answer: The Contingency Fund under the 2000-2001 W-2 Contract was established as a reserve with the Legislative Joint Committee on Finance. The Contingency Fund was specific to the 2000-2001 Contract. Final decisions concerning the availability of a contingency fund for the 2002-2003 W-2 Contract and the conditions for accessing it will not be known until after passage of the 2002-2004 Biennial Budget Act.
63. Question: Why did the Milwaukee W-2 agency allocations for the Workforce Attachment and Advancement program go up and other agencies' allocations decrease? Is utilization a factor in the allocations?
- Answer: The Workforce Attachment and Advancement allocations were updated and issued on May 14, 2001. Wisconsin Statutes, section 49.173 specifies the basis for these allocations.

64. Question: When is prior Department approval needed for W-2 expenditures?

Answer: Department's policy requires prior approval for all Information Technology purchases including hardware and software regardless of price. In addition, the Department's policy requires prior approval on all IT items and any other items with a unit purchase price of \$5,000 or greater.